# STATE OF NORTH DAKOTA COUNTY OF BURLEIGH

## BEFORE THE SECURITIES COMMISSIONER

45/70		
In the Matter of Internet Casino	)	
Sports Gaming LLC, Denis M. 8989688	)	CEASE AND DESIST ORDER,
Benson, and their Officers,	)	AND NOTICE OF RIGHT TO
Agents, and Employees,	)	REQUEST A HEARING
	)	
Respondents.	)	

and or sich

THE SECURITIES COMMISSIONER OF THE STATE OF NORTH DAKOTA TO INTERNET CASINO SPORTS GAMING LLC, DENIS M. BENSON, AND THEIR OFFICERS, DIRECTORS, AGENTS, AND EMPLOYEES:

The Securities Commissioner has determined that the Respondents have engaged in, are engaging in, or are about to engage in, acts, practices or transactions, as more fully described below, which are prohibited under Chapter 10-04 of the North Dakota Century Code (N.D.C.C.). It is necessary and appropriate in the public interest and for the protection of investors to restrain these acts, practices, or transactions of the Respondents.

- 1. The Respondents have offered for sale and/or sold investment contracts, which are securities as defined in §10-04-02(13) N.D.C.C., to residents of North Dakota in violation of §10-04-04 N.D.C.C.
- 2. The subject investments have not been registered with the Securities Commissioner under §10-04-07; §10-04-07.1; §10-04-08; or §10-04-08.1 N.D.C.C.; are not exempt securities under §10-04-05 N.D.C.C; and have not been offered for sale or sold in exempt transactions under §10-04-06 N.D.C.C.
- The Respondents have failed to register as dealers in violation of §10-04-10(1) N.D.C.C.
- 4. The Respondents have failed to register any salesman in violation of §10-04-10(2) N.D.C.C.

NOW, THEREFORE, IT IS ORDERED, pursuant to §10-04-16 N.D.C.C., that the Respondents immediately shall CEASE AND DESIST:

- From offering for sale or selling in North Dakota the subject investment, or any other investment interest however denominated, unless and until such investment interests have been registered with the Securities Commissioner.
- 2. From offering for sale or selling investments in North Dakota unless and until they have registered with the Securities Commissioner as dealers or salesmen.
- 3. From providing a guarantee on rates of return on investments, guaranteeing against loss of principle invested, or otherwise engaging in a fraudulent act while offering for sale or selling investments in North Dakota.

#### NOTICE OF CIVIL PENALTIES

YOU ARE NOTIFIED that the above-cited violations are sufficient grounds for the imposition of civil penalties pursuant to §10-04-16(1) N.D.C.C. The Securities Commissioner does not order a civil penalty herein but expressly reserves the authority to assess civil penalties regarding the violations outlined above, any other violations subsequently discovered, or any future securities violations or violations of this order.

#### NOTICE OF RIGHT TO REQUEST HEARING

YOU ARE NOTIFIED that pursuant to §10-04-12 N.D.C.C. you may request a hearing before the Securities Commissioner if such a request is made in writing <u>WITHIN TEN (10) DAYS AFTER THE RECEIPT OF THIS ORDER</u>. The respondent has the right to be represented by legal counsel at the hearing.

IN TESTIMONY WHEREOF, witness my hand and seal this day of June, 1998.

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North Dakota Securities Commissioner State Capitol – Fifth Floor

600 East Boulevard Ave. Bismarck, ND 58505-0510

(701) 328-2910

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In the Matter of Internet Casino	)
Sports Gaming LLC, Denis M.	)
Benson, and their Officers,	)
Directors, Agents, and Employees,	) AFFIDAVIT OF SERVICE BY MAIL
· · ·	)
Respondents.	)

I, Jacqui Ferderer, being first duly sworn, state that I am a citizen of the United States over the age of twenty-one years and not a party to or interested in the above-entitled proceeding.

On, Monday, June 8<sup>th</sup>, 1998, I deposited in the Central Mailing Bureau of the United States Post Office Department in the State Capitol in Bismarck, North Dakota, a true and correct copy of the following document:

# CEASE AND DESIST ORDER NOTICE OF CIVIL PENALTY AND NOTICE OF RIGHT TO REQUEST A HEARING

A copy of the above document was securely enclosed in an envelope with postage duly prepaid, sent via registered mail and addressed to:

Denis M. Benson 140 Yorba Street #17 Tustin, CA 92780-2933

Internet Casino Sports Gaming, LLC 140 Yorba Street #17 Tustin, CA 92780-2933

To the best of my knowledge, information, and belief, the address given above is the actual post office address of the party intended to be served.

Jacqui Ferderer

Subscribed and sworn to before me on June 8th, 1998.

Diane Kambeitz, Notary Public Burleigh County, North Dakota

My commission expires 03/20/2002